

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

PURCHASED WATER ADJUSTMENT)
FILING OF OVERLAND) CASE NO. 2011-00015
DEVELOPMENT, INC.)

ORDER

On January 10, 2011, Overland Development, Inc. ("Overland") applied for approval to adjust its rates pursuant to the purchased water adjustment procedure.¹

The Commission, having reviewed the record and being sufficiently advised, finds that:

1. Overland purchases water from the Big Sandy Water District ("Big Sandy").
2. Big Sandy notified Overland that, effective January 1, 2011, its volumetric wholesale rate to Overland would decrease from \$1.83 per 1,000 gallons to \$1.78 per 1,000 gallons.
3. Overland proposed a purchased water adjustment factor of (\$0.05) per 1,000 gallons.
4. During the 12 months ending November 30, 2010, Overland purchased 7,008,235 gallons of water from Big Sandy and it sold 5,957,000 gallons. The decrease in the cost of purchased water is \$350.41, resulting in a purchased water adjustment factor of (\$0.05) per 1,000 gallons.

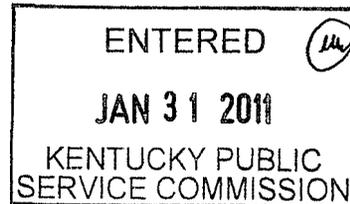
¹ 807 KAR 5:067.

5. The purchased water adjustment factor of (\$0.05) per 1,000 gallons is fair, just, and reasonable and should be approved.

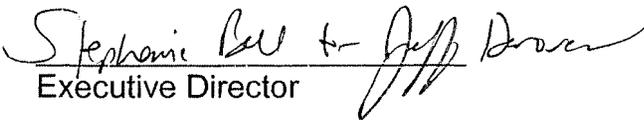
IT IS THEREFORE ORDERED that:

1. The rates proposed by Overland are approved.
2. The purchased water adjustment factor of (\$0.05) per 1,000 gallons, as calculated in Appendix A, is approved.
3. The rates in Appendix B, attached hereto and incorporated herein are fair, just, and reasonable and are approved for services on or after January 1, 2011.
4. Overland's proposed tariff sheet filed with the application, showing the rates approved herein, is approved.

By the Commission



ATTEST:


Executive Director

APPENDIX A

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE
COMMISSION IN CASE NO. 2011-00015 DATED JAN 31 2011

| | New Rate | Base Rate |
|----------------------|-----------------------|----------------------|
| Big Sandy | | |
| Purchases in gallons | 7,008,235 | 7,008,235 |
| Volumetric rate | <u>\$ 1.78 /1,000</u> | <u>\$ 1.83/1,000</u> |
| | \$12,474.66 | \$ 12,825.07 |
| | Decreased water cost | \$ 350.41 |

| | |
|-----------------------------------|-----------------------------|
| Decreased water cost | \$ 350.41 |
| Divided by gallons sold | <u>5,957,000</u> |
| Purchased water adjustment factor | (\$ 0.05) per 1,000 gallons |

APPENDIX B

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 2011-00015 DATED JAN 31 2011

The following rates and charges are prescribed for the customers in the area served by Overland Development Incorporated. All other rates and charges not specifically mentioned herein shall remain the same as those in effect under authority of the Commission prior to the effective date of this Order.

Monthly Water Rates

| | | | |
|-------|----------------|---------|-------------------|
| First | 2,000 gallons | \$20.04 | Minimum Bill |
| Next | 8,000 gallons | 7.29 | per 1,000 gallons |
| Next | 20,000 gallons | 5.51 | per 1,000 gallons |
| Next | 20,000 gallons | 4.57 | per 1,000 gallons |
| Over | 50,000 gallons | 3.67 | per 1,000 gallons |

James C Taylor
Secretary / Treasurer
Overland Development, Inc.
18211 Valley View Court
Catlettsburg, KY 41129